

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EXAMINATION OF THE	)	
APPLICATION OF THE FUEL ADJUSTMENT	)	CASE NO.
CLAUSE OF KENTUCKY UTILITIES COMPANY	)	2016-00232
FROM NOVEMBER 1, 2015 THROUGH APRIL	)	
30, 2016	)	

ORDER

Kentucky Utilities Company ("KU") has filed three petitions with the Commission, pursuant to KRS 61.878(1)(c) and 807 KAR 5:001, Section 13, for confidential treatment of certain information submitted to the Commission as part of this proceeding. The Commission will address each request in turn.

August 30, 2016 Petition

On August 30, 2016, KU filed a petition requesting confidential treatment of information contained in its responses to Items 12 and 19 of the information requested in the Appendix to the Commission's Order dated August 12, 2016, in this matter. KU describes the information as coal price settlement agreement information (response to Item 12) and coal bid analysis information (response to Item 19). KU states that this information is not known outside of KU, is not disseminated within KU except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry. KU notes that the Commission has afforded this type of information confidential treatment in previous proceedings to review KU's fuel adjustment clause.

In support of its petition, KU states that disclosure of the information for which it seeks confidential treatment would damage its competitive position and business interests. Respecting its coal price settlement agreements, KU states that the agreements consider and analyze the costs that KU's coal suppliers incur to comply with the MINER Act, which affects the coal price increases KU is willing to pay its coal suppliers for their claimed compliance costs. KU asserts that disclosure of coal price settlement agreement information would enable its current and potential coal suppliers to manipulate their bids, to the detriment of KU and its ratepayers, by tailoring bids to correspond to and comport with KU's MINER Act cost-evaluation criteria and process.

Respecting its coal bid analysis information, KU states that the information reveals the business model KU uses, the procedures it follows, and the factors it considers in evaluating bids for coal supply. KU states that disclosure of this information would allow potential bidders to manipulate the bid solicitation process, to the detriment of KU and its ratepayers, by tailoring bids to correspond to and comport with KU's bidding criteria and process.

KRS 61.878(1)(c) exempts from public disclosure confidential information which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records. Having carefully considered the petition filed by KU on August 30, 2016, and the materials at issue, the Commission finds that the materials contained in KU's responses to Items 12 and 19 of the information requested in the Appendix to the Commission's Order dated August 12, 2016, meet the criteria for confidential protection as set forth in KRS 61.878(1)(c) and should not be placed in the

public record for a period of five years from the date of this Order, or until further Orders of this Commission.

October 7, 2016 Petition

On October 7, 2016, KU filed a petition requesting confidential treatment of information contained in its response to Item 2 of Commission Staff's Second Request for Information ("Staff's Second Request"). KU describes the information as fuel cost information. KU states that this information is not known outside of KU, is not disseminated within KU except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry. KU notes that the Commission has afforded this type of information confidential treatment in previous proceedings to review KU's fuel adjustment clause.

In support of its petition, KU states that public disclosure of unit fuel costs would damage its competitive position and business interests. KU states that disclosure of this information would impair KU's ability to negotiate with prospective contractors and vendors and arm KU's competitors with information with which they could erode KU's competitive position in the wholesale power market.

KRS 61.878(1)(c) exempts from public disclosure confidential information which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records. Having carefully considered the petition filed by KU on October 7, 2016, and the materials at issue, the Commission finds that the materials contained in KU's response to Item 2 of Staff's Second Request meet the criteria for confidential protection as set forth in KRS 61.878(1)(c) and should not be

placed in the public record for a period of five years from the date of this Order, or until further Orders of this Commission.

October 27, 2016 Petition

On October 27, 2016, KU filed a petition requesting confidential treatment of information contained in its response to Item 3 of Commission Staff's Third Request for Information ("Staff's Third Request"). KU describes the information as fuel cost information. KU states this information is not known outside of KU, is not disseminated within KU except to those employees with a legitimate business need to know and act upon the information, and is generally recognized as confidential and proprietary information in the energy industry. KU notes that the Commission has afforded this type of information confidential treatment in previous proceedings to review KU's fuel adjustment clause.

In support of its petition, KU states that public disclosure of unit fuel costs would damage its competitive position and business interests. KU states that disclosure of this information would impair KU's ability to negotiate with prospective contractors and vendors and arm KU's competitors with information with which they could erode KU's competitive position in the wholesale power market.

KRS 61.878(1)(c) exempts from public disclosure confidential information which if openly disclosed would permit an unfair commercial advantage to competitors of the entity that disclosed the records. Having carefully considered the petition filed by KU on October 27, 2016, and the materials at issue, the Commission finds that the materials contained in KU's response to Item 3 of Staff's Third Request meet the criteria for confidential protection as set forth in KRS 61.878(1)(c) and should not be placed in

the public record for a period of five years from the date of this Order, or until further Orders of this Commission.

IT IS THEREFORE ORDERED that:

1. KU's petition for confidential protection for its responses to Items 12 and 19 of the information requested in the Appendix to the Commission's Order dated August 12, 2016, is granted.

2. KU's petition for confidential protection for its response to Item 2 of Staff's Second Request, dated October 7, 2016, is granted.

3. KU's petition for confidential protection for its response to Item 3 of Staff's Third Request, dated October 16, 2016, is granted.

4. The materials granted confidential protection will not be placed in the public record or made available for public inspection for a period of five years from the date of this Order, or upon further Orders of this Commission.

5. Use of the materials in question in any Commission proceeding shall be in compliance with 807 KAR 5:001, Section 13(9).

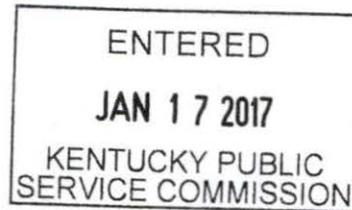
6. KU shall inform the Commission if the materials granted confidential protection become publicly available or no longer qualify for confidential treatment.

7. If a non-party to this proceeding requests to inspect materials granted confidential treatment by this Order and the period during which the materials have been granted confidential treatment has not run, KU shall have 20 days from receipt of written notice of the request to demonstrate that the materials still fall within the exclusions from disclosure requirements established in KRS 61.878. If KU is unable to

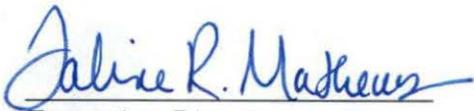
make such demonstration, the requested materials shall be made available for inspection. Otherwise, the Commission shall deny the request for inspection.

8. The Commission shall not make the materials available for inspection for 20 days following an Order finding that the materials no longer qualify for confidential treatment in order to allow KU to seek a remedy afforded by law.

By the Commission



ATTEST:

  
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